

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3928
ANSWERED ON:09.08.2002
PRODUCTION EXPORT OF TOBACCO PRODUCTS
TRILOCHAN KANUNGO

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the estimated total production of cigarettes, bidies, cigars, cherutts etc. during each of the last three years ending March 31, 2002;
- (b) the total revenue earned from above tobacco products during the said period;
- (c) whether there is stiff fall in the use of tobacco as a result of world commitment to reduce tobacco smoking to which India is an active signatory;
- (d) if so, the steps the Government are planning to make up the huge loss of revenue caused by prohibition of tobacco uses;
- (e) the amount of cigarette and bidis exported during the last three years and foreign exchange earned therefrom;
- (f) whether India has also imported cigarette, bidi and other tobacco products during the same period; and
- (g) if so, the amount of them alongwith the import duty on such products?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

- (a) As per industry estimates, the data on production of cigarettes over the past three years is as follows :

Year Quantity (Million Pieces)

1999-2000	97629
2000-01	96642
2001-02	87295

Data on manufacture of bidis and other tobacco products is not being maintained centrally since these industries are part of the un-organised sector.

- (b) The total revenue earned from cigarettes and bidis over the past three years is as follows :

Year Amount (In Rs. Crores)

1999-2000	5184.22
2000-01	5534.44
2001-02	5416.62

Source: Department of Revenue

- (c) The data on manufacture and export of cigarettes does not suggest any substantial decline in the production of cigarettes for

domestic consumption. India is not yet a signatory to the World Health Organisation (WHO) Framework Convention on Tobacco Control since that is still in the process of negotiation.

(d) Since there is no proposal to ban the production of tobacco products, this does not arise.

(e) The data on quantity of cigarettes and bidis exported over the past three years and the foreign exchange earnings therefrom are as follows :

(Qty. in Tonnes; Value in Rs. lakhs)

Year	Export of cigarettes		Export of bidis	
	Quantity	Value	Quantity	Value

1999-2000	1851	4629.30	1174	3717.89
2000-2001	2016	5651.53	962	3295.88
2001-2002	2883	8488.30	961	3337.48

Source: Directorate General of Commercial Intelligence and Statistics, Kolkata (DGCI&S)

(f) & (g) Yes, Sir. The data on imports is as follows :

(Qty. in Tonnes)

Year	Cigarettes	Bidis	Others
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1999-2000	103	-	2
2000-01	25	-	-
2001-02	78	10	19

Source: DGCI&S

The effective import duty on these items is 30% (basic) plus 4% (special additional duty) plus countervailing duty as applicable. The countervailing duty is not applicable to cigarettes, bidis and other tobacco products on which additional duties of excise in lieu of sales tax are leviable.